

Second Regular Session 112th General Assembly (2002)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2001 General Assembly.

SENATE ENROLLED ACT No. 109

AN ACT to amend the Indiana Code concerning human services.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. IC 5-1-16-1, AS AMENDED BY P.L.215-2001, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. As used in this chapter:

"Authority" refers to the Indiana health facility financing authority.

"Bonds" includes bonds, refunding bonds, notes, interim certificates, bond anticipation notes, and other evidences of indebtedness of the authority, issued under this chapter.

"Building" or "buildings" or similar words mean any building or part of a building or addition to a building for health care purposes. The term includes the site for the building (if a site is to be acquired), equipment, heating facilities, sewage disposal facilities, landscaping, walks, drives, parking facilities, and other structures, facilities, appurtenances, materials, and supplies that may be considered necessary to render a building suitable for use and occupancy for health care purposes.

"Cost" includes the following:

- (1) The cost and the incidental and related costs of the acquisition, repair, restoration, reconditioning, refinancing, or installation of health facility property.
- (2) The cost of any property interest in health facility property, including an option to purchase a leasehold interest.
- (3) The cost of constructing health facility property, or an addition

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to health facility property, acquiring health facility property, or remodeling health facility property.

(4) The cost of architectural, engineering, legal, trustee, underwriting, and related services; the cost of the preparation of plans, specifications, studies, surveys, and estimates of cost and of revenue; and all other expenses necessary or incident to planning, providing, or determining the need for or the feasibility and practicability of health facility property.

(5) The cost of financing charges, including premiums or prepayment penalties and interest accrued during the construction of health facility property or before the acquisition and installation or refinancing of such health facility property for up to two (2) years after such construction, acquisition, and installation or refinancing and startup costs related to health facility property for up to two (2) years after such construction, acquisition, and installation or refinancing.

(6) The costs paid or incurred in connection with the financing of health facility property, including out-of-pocket expenses, the cost of any policy of insurance; the cost of printing, engraving, and reproduction services; and the cost of the initial or acceptance fee of any trustee or paying agent.

(7) The costs of the authority, incurred in connection with providing health facility property, including reasonable sums to reimburse the authority for time spent by its agents or employees in providing and financing health facility property.

(8) The cost paid or incurred for the administration of any program for the purchase or lease of or the making of loans for health facility property, by the authority and any program for the sale or lease of or making of loans for health facility property to any participating provider.

"County" means any county in the state that owns and operates a county hospital.

"Health facility property" means any tangible or intangible property or asset owned or used by a participating provider and which:

(1) is determined by the authority to be necessary or helpful, directly or indirectly, to provide:

- (A) health care;
- (B) medical research;
- (C) training or teaching of health care personnel;
- (D) habilitation, rehabilitation, or therapeutic services; or
- (E) any related supporting services;

regardless of whether such property is in existence at the time of,

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or is to be provided after the making of, such finding;

(2) is a residential facility for:

- (A) the physically, mentally, or emotionally disabled;
- (B) the physically or mentally ill; or
- (C) the elderly; or

(3) is a licensed child caring institution providing residential care described in IC 12-7-2-29(1) or corresponding provisions of the laws of the state in which the property is located.

"Health facility" means any facility or building that is:

(1) owned or used by a participating provider;

(2) located:

- (A) in Indiana; or
- (B) outside Indiana, if the participating provider that operates the facility or building, or an affiliate of the participating provider, also operates a substantial health facility or facilities, as determined by the authority, in Indiana; and

(3) utilized, directly or indirectly:

(A) in:

- (i) health care;
- (ii) habilitation, rehabilitation, or therapeutic services;
- (iii) medical research;
- (iv) the training or teaching of health care personnel; or
- (v) any related supporting services;

(B) to provide a residential facility for:

- (i) the physically, mentally, or emotionally disabled;
- (ii) the physically or mentally ill; or
- (iii) the elderly; or

(C) as a child caring institution and provides residential care described in IC 12-7-2-29(1) or corresponding provisions of the laws of the state in which the facility or building is located.

"Net revenues" means the revenues of a hospital remaining after provision for proper and reasonable expenses of operation, repair, replacement, and maintenance of the hospital.

"Participating provider" means a person, corporation, municipal corporation, political subdivision, or other entity, public or private, which:

(1) is located in Indiana or outside Indiana;

(2) contracts with the authority for the financing or refinancing of, or the lease or other acquisition of, health facility property that is located:

(A) in Indiana; or

(B) outside Indiana, if the financing, refinancing, lease, or

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other acquisition also includes a substantial component, as determined by the authority, for the benefit of a health facility or facilities located in Indiana;

(3) is:

(A) licensed under IC 12-25, IC 16-21, IC 16-28, or corresponding laws of the state in which the property is located;

(B) a regional blood center;

(C) a community mental health center or community mental retardation and other developmental disabilities center (as defined in IC 12-7-2-38 and IC 12-7-2-39 or corresponding provisions of laws of the state in which the property is located);

(D) an entity that:

(i) contracts with the division of disability, aging, and rehabilitative services or the division of mental health and addiction to provide the program described in IC 12-11-1.1-1(e) or IC 12-22-2; or

(ii) provides a similar program under the laws of the state in which the entity is located;

(E) a vocational rehabilitation center established under ~~IC 12-12-1-4(1)~~ **IC 12-12-1-4.1(a)(1)** or corresponding provisions of the laws of the state in which the property is located;

(F) the owner or operator of a facility that is utilized, directly or indirectly, to provide health care, habilitation, rehabilitation, therapeutic services, medical research, the training or teaching of health care personnel, or any related supporting services, or of a residential facility for the physically, mentally, or emotionally disabled, physically or mentally ill, or the elderly;

(G) a licensed child caring institution providing residential care described in IC 12-7-2-29(1) or corresponding provisions of the laws of the state in which the property is located;

(H) an integrated health care system between or among providers, a health care purchasing alliance, a health insurer or third party administrator that is a participant in an integrated health care system, a health maintenance or preferred provider organization, or a foundation that supports a health care provider; or

(I) an individual, a business entity, or a governmental entity that owns an equity or membership interest in any of the organizations described in clauses (A) through (H); and

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(4) in the case of a person, corporation, municipal corporation, political subdivision, or other entity located outside Indiana, is owned or controlled by, under common control with, affiliated with, or part of an obligated group that includes an entity that provides one (1) or more of the following services or facilities in Indiana:

- (A) A facility that provides:
 - (i) health care;
 - (ii) habilitation, rehabilitation, or therapeutic services;
 - (iii) medical research;
 - (iv) training or teaching of health care personnel; or
 - (v) any related supporting services.
- (B) A residential facility for:
 - (i) the physically, mentally, or emotionally disabled;
 - (ii) the physically or mentally ill; or
 - (iii) the elderly.
- (C) A child caring institution providing residential care described in IC 12-7-2-29(1).

"Regional blood center" means a nonprofit corporation or corporation created under 36 U.S.C. 1 that:

- (1) is:
 - (A) accredited by the American Association of Blood Banks; or
 - (B) registered or licensed by the Food and Drug Administration of the Department of Health and Human Services; and
- (2) owns and operates a health facility that is primarily engaged in:
 - (A) drawing, testing, processing, and storing human blood and providing blood units or components to hospitals; or
 - (B) harvesting, testing, typing, processing, and storing human body tissue and providing this tissue to hospitals.

SECTION 2. IC 12-7-2-39 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 39. "Community mental retardation and other developmental disabilities centers", for purposes of IC 12-29 (except as provided in IC 12-29-3-6), means a program of services that meets the following conditions:

- (1) Is approved by the division of disability, aging, and rehabilitative services.
- (2) Is organized for the purpose of providing multiple services for persons with developmental disabilities.
- (3) Is operated by one (1) of the following or any combination of



the following:

- (A) A city, a town, a county, or another political subdivision of Indiana.
 - (B) An agency of the state.
 - (C) An agency of the United States.
 - (D) A political subdivision of another state.
 - (E) A hospital owned or operated by a unit of government described in clauses (A) through (D).
 - (F) A building authority organized for the purpose of constructing facilities to be leased to units of government.
 - (G) A corporation incorporated under IC 23-7-1.1 (before its repeal August 1, 1991) or IC 23-17.
 - (H) A nonprofit corporation incorporated in another state.
 - (I) A university or college.
- (4) Is accredited **for the services provided by one (1) of the following organizations:**
- (A) The Commission on Accreditation of Rehabilitation Facilities (CARF), or its successor.**
 - (B) The Council on Quality and Leadership in Supports for People with Disabilities, or its successor.**
 - (C) The Joint Commission on Accreditation of Healthcare Organizations (JCAHO), or its successor.**
 - (D) The National Commission on Quality Assurance, or its successor.**
 - (E) An independent national accreditation organization approved by the secretary.**

SECTION 3. IC 12-12-1-4.1 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 4.1. (a) The bureau may do the following:**

- (1) Establish vocational rehabilitation centers separately or in conjunction with community rehabilitation centers.**
 - (2) Contract with governmental units and other public or private organizations to provide any of the vocational rehabilitation services permitted or required by this article, IC 12-8-1-11, IC 12-9-6, and IC 12-11-6.**
 - (3) Provide or contract for the provision of other services that are consistent with the purposes of this article, IC 12-8-1-11, IC 12-9-6, and IC 12-11-6.**
- (b) When entering into contracts for job development, placement, or retention services, the bureau shall contract with governmental units and other public or private organizations or individuals that are accredited by one (1) of the following**



organizations:

- (1) The Commission on Accreditation of Rehabilitation Facilities (CARF), or its successor.**
- (2) The Council on Quality and Leadership in Supports for People with Disabilities, or its successor.**
- (3) The Joint Commission on Accreditation of Healthcare Organizations (JCAHO), or its successor.**
- (4) The National Commission on Quality Assurance, or its successor.**
- (5) An independent national accreditation organization approved by the secretary.**

(c) To the extent that the accreditation requirements of an accrediting organization listed in subsection (b) do not cover a specific requirement determined by the bureau to be necessary for a contracted service under subsection (a), the bureau shall include these specific requirements as part of the bureau's contract for job development, placement, or retention services.

SECTION 4. IC 12-29-3-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 6. (a) As used in this section, "community mental retardation and other developmental disabilities center" means a community center that is:

- (1) incorporated under IC 23-7-1.1 (before its repeal August 1, 1991) or IC 23-17;**
- (2) organized for the purpose of providing services for mentally retarded and other individuals with a developmental disability;**
- (3) approved by the division of disability, aging, and rehabilitative services; and**
- (4) accredited for the services provided by one (1) of the following organizations:**

- (A) The Commission on Accreditation of Rehabilitation Facilities (CARF), or its successor.**
- (B) The Council on Quality and Leadership in Supports for People with Disabilities, or its successor.**
- (C) The Joint Commission on Accreditation of Healthcare Organizations (JCAHO), or its successor.**
- (D) The National Commission on Quality Assurance, or its successor.**
- (E) An independent national accreditation organization approved by the secretary.**

(b) The county executive of a county may authorize the furnishing of financial assistance to a community mental retardation and other developmental disabilities center serving the county.



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(c) Upon the request of the county executive, the county fiscal body may appropriate annually, from the general fund of the county, money to provide financial assistance in an amount not to exceed the amount that could be collected from the annual tax levy of sixty-seven hundredths of one cent (\$0.0067) on each one hundred dollars (\$100) of taxable property.

SECTION 5. IC 20-12-21.7-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. The minority teacher or special education services scholarship fund is established:

- (1) as the fund pertains to minority teachers:
 - (A) to encourage and promote qualified minority individuals to pursue a career in teaching in accredited schools in Indiana;
 - (B) to enhance the number of individuals who may serve as role models for the minority students in Indiana; and
 - (C) in recognition of the fact that there is a shortage of minority teachers teaching in accredited schools of Indiana; and
- (2) as the fund pertains to special education services:
 - (A) to encourage and promote qualified individuals to pursue a career in:
 - (i) teaching special education in accredited schools in Indiana; or
 - (ii) practicing occupational or physical therapy in accredited schools in Indiana, in vocational rehabilitation centers under ~~IC 12-12-1-4(1)~~ **IC 12-12-1-4.1(a)(1)**, or in community mental retardation or other developmental disabilities centers under IC 12-29 (except IC 12-29-3-6) as part of the special education program; and
 - (B) in recognition of the fact that there is a shortage of individuals who teach special education and who provide certain other special education services in accredited schools in Indiana.

SECTION 6. IC 20-12-21.7-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. (a) The commission for higher education under IC 20-12-0.5 shall provide the commission with the most recent information concerning:

- (1) the number of minority students enrolled at each eligible institution; and
- (2) the number of individuals who are:
 - (A) enrolled at each eligible institution; and
 - (B) pursuing a course of study that would enable the student, upon graduation, to be:



- (i) licensed to teach special education in an accredited school; or
- (ii) certified to practice occupational therapy or licensed to practice physical therapy in an accredited school, in a vocational rehabilitation center under ~~IC 12-12-1-4(1)~~ **IC 12-12-1-4.1(a)(1)**, or in a community mental retardation or other developmental disabilities center under IC 12-29 as part of the special education program.

(b) The commission shall allocate the available money from the fund to each eligible institution in proportion to the number of minority students enrolled at each eligible institution as described in subsection (a) based upon the information received by the commission under subsection (a).

(c) Each eligible institution shall determine the scholarship recipients under this chapter:

- (1) based upon the criteria set forth in section 9 of this chapter or section 9.1 of this chapter, whichever applies, and the rules adopted by the commission under section 12 of this chapter; and
- (2) with a priority on granting scholarships in the following order:
 - (A) Minority students seeking a renewal scholarship.
 - (B) Newly enrolling minority students.
 - (C) Special education services students seeking a renewal scholarship.
 - (D) Newly enrolling special education services students.

However, the eligible institution may not grant a scholarship renewal to a student for an academic year that ends later than six (6) years after the date the student received the initial scholarship under this chapter.

(d) Any funds that:

- (1) are allocated to an eligible institution; and
- (2) are not utilized for scholarships under this chapter;

shall be returned to the commission for reallocation by the commission to any other eligible institution in need of additional funds.

SECTION 7. IC 20-12-21.7-9.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9.1. (a) To initially qualify for a scholarship from the fund as the fund pertains to individuals described in section 8(a)(2) of this chapter, an individual must:

- (1) be admitted to an eligible institution of higher learning as a full-time student or be attending an eligible institution of higher learning as a full-time student;
- (2) intend to pursue or, in the case of a student who is attending an eligible institution of higher learning, pursue a course of study



that would enable the student, upon graduation:

(A) to be licensed to teach special education in an accredited school under rules adopted by the Indiana state board of education;

(B) to be certified to practice occupational therapy:

(i) in an accredited school;

(ii) in a vocational rehabilitation center under ~~IC 12-12-1-4(1)~~ **IC 12-12-1-4.1(a)(1)**; or

(iii) in a community mental retardation or other developmental disabilities center under IC 12-29 except IC 12-29-3-6; or

(C) to be licensed to practice physical therapy:

(i) in an accredited school;

(ii) in a vocational rehabilitation center under ~~IC 12-12-1-4(1)~~ **IC 12-12-1-4.1(a)(1)**; or

(iii) in a community mental retardation or other developmental disabilities center under IC 12-29 except IC 12-29-3-6;

(3) agree, in writing, to:

(A) teach in an accredited school; or

(B) practice occupational therapy or physical therapy, whichever applies:

(i) in an accredited school in Indiana;

(ii) in a vocational rehabilitation center under ~~IC 12-12-1-4(1)~~ **IC 12-12-1-4.1(a)(1)**; or

(iii) in a community mental retardation or other developmental disabilities center under IC 12-29 except IC 12-29-3-6;

at least three (3) of the first five (5) years following the student's licensure as a teacher, certification as an occupational therapist, or licensure as a physical therapist; and

(4) meet any other minimum criteria established by the commission.

(b) To qualify for a scholarship renewal from the fund under this section, the individual must:

(1) comply with the criteria set forth in subsection (a); and

(2) maintain at least the cumulative grade point average:

(A) that is required by an eligible institution for admission to the eligible institution's school of education; or

(B) of 2.0 on a 4.0 grading scale or its equivalent as established by the eligible institution if the eligible institution's school of education does not require a certain minimum

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cumulative grade point average.

SECTION 8. IC 12-12-1-4 IS REPEALED [EFFECTIVE UPON
PASSAGE].

SECTION 9. **An emergency is declared for this act.**

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President of the Senate

President Pro Tempore

Speaker of the House of Representatives

Approved: _____

Governor of the State of Indiana

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